

PB FINTECH LIMITED
(FORMERLY KNOWN AS PB FINTECH PRIVATE LIMITED / ETECHACES MARKETING
AND CONSULTING PRIVATE LIMITED)

EMPLOYEES STOCK OPTION PLAN 2021

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1. Name and Term of the Plan

- 1.1. This Plan shall be termed as the **Employees Stock Option Plan 2021** (the “**ESOP 2021**” or “**Scheme**” or “**Plan**”).
- 1.2. This Plan has been adopted and approved pursuant to a resolution of the Board of Directors passed on July 26, 2021. The Plan has also been approved by the shareholders of the Company pursuant to special resolution passed by the Shareholders on September 17, 2021.
- 1.3. The ESOP 2021 shall be effective from July 26, 2021 and shall continue to be in force until (i) its termination by the Board /Committee; or (ii) the date on which all of the options available for issuance under the ESOP 2021 have been Exercised (*as defined hereinafter*). Any such termination of the Plan shall not affect Options already granted and such Options shall remain in full force and effect as if the Plan had not been terminated unless mutually agreed otherwise between the Eligible Employees and the Committee/ the Company.

2. Purpose of the Plan

- 2.1 The objective of the ESOP 2021 is to:
 - a. reward employees for their performance and association with the Company;
 - b. to retain and reward talent in the organization and motivate the employees to contribute to the growth and profitability of the Company;
 - c. to attract and retain talent in the organization;
 - d. to foster ownership and financial motivation; and
 - e. to achieve inclusive growth by making the employees as stakeholders of the Company.

These objectives are sought to be achieved through the ESOP 2021.

- 2.2 The Board / Nomination and Remuneration Committee may, subject to compliance with Applicable Laws, at any time alter, amend, suspend or terminate the ESOP 2021.

3. Definitions and Interpretation

In this Plan, except where the context otherwise requires, the following expressions or terms shall have the meanings indicated there against.

- 3.1 ‘**Applicable Laws**’ means the applicable laws relating to Employee Stock Options, including, without limitation, the Companies Act, read with the Companies (Share Capital and Debenture Rules), 2014, as amended, the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“**SEBI SBEB Regulations**”) and includes any statutory modifications or re-enactments thereof, and all relevant tax, securities, exchange control or corporate laws of India including any enactment, re-enactment, amendment, modification or alteration thereof.
- 3.2 ‘**Beneficiary**’ shall mean the person, persons, trust or trusts designated by the Grantee or in the absence of any designation by the Grantee, a person or persons who is/ are entitled by the Grantee of the Grantee to receive the benefits specified in the Plan, the legal heirs of the Grantee, if the Grantee dies intestate and includes the Grantee’s executors or administrator, if no other beneficiary is designated and able to act under the circumstances and such other persons as may be added from time to time to the class of beneficiaries by notice in writing and by the nomination form in the exercise of any powers conferred under the Plan or any other agreements forming part thereof.

- 3.3 **‘Board’** means the Board of Directors of the Company including any duly constituted committee, as the context may require.
- 3.4 **‘Cause’** shall have the meaning ascribed to it in the respective employment agreement of an Eligible Employee or the grant letter, as the case may be.
- 3.5 **‘Change in Control’** means:
- a. a transaction or series of related transactions involving the direct or indirect sale or transfer by the current shareholder of all, or substantially all, of the assets of the Company to one or more persons that do not, immediately prior to such sale or transfer, directly or indirectly individually or collectively own a controlling interest in the Company;
 - b. a transaction or series of related transactions involving the direct or indirect sale or transfer by the current shareholder for cash of all or substantially all of its equity interests of the Company to one or more persons that do not, immediately prior to such sale or transfer, directly or indirectly individually or collectively own a controlling interest in the Company;
 - c. such other extraordinary transaction or series of related transactions that the Board determines, in its sole discretion, has substantially the same effect as the transactions contemplated by clause (a) and clause (b) of this definition; or
 - d. such other extraordinary transaction or series of transactions that the Board determines, in its sole discretion, is a “Change in Control” for purposes of this Plan,
 - e. but excluding an IPO.
- 3.6 **‘Class A Employees’** means the Founders, Mr. Naveen Kukreja and Mr. Sarbvir Singh.
- 3.7 **‘Class A Options’** shall mean the Options Granted to Class A Employees.
- 3.8 **‘Closing Date’** shall have the meaning ascribed to it under Clause 7.6 hereof.
- 3.9 **‘Committee’** shall mean the Nomination and Remuneration Committee of the Board constituted in accordance with the Companies Act 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, SEBI Regulations and/or Applicable Laws that has been constituted by the Board for administration and/or superintendence of this Plan.
- 3.10 **‘Companies Act’** means the Companies Act, 2013 as amended from time to time, and shall include any statutory replacement or re-enactment thereof.
- 3.11 **‘Company’** shall mean PB Fintech Limited (formerly known as PB Fintech Private Limited/ Etechaces Marketing and Consulting Private Limited), a company limited by shares, incorporated under the Companies Act, 1956 and having its registered office at having its registered office at Plot No. 119, Sector 44, Gurgaon, Haryana-122001.
- 3.12 **‘Director’** shall mean a director on the Board, duly appointed in terms of the Companies Act.

- 3.13 '**Eligibility Criteria**' means the criteria as may be determined from time to time by the Board/ Committee for Granting the Employee Stock Options to the Eligible Employees.
- 3.14 '**Eligible Employee**' means the Class A Employees and such other Employees as may be determined to be eligible to be Granted Employee Stock Options under this ESOP 2021 by the Board/ Nomination and Remuneration Committee, in accordance with Applicable Laws.
- 3.15 '**Employee**' shall have the meaning given to the term under Applicable Laws, including the SEBI SBEB Regulations.
- 3.16 '**ESOP 2021**' or '**Plan**' shall mean the Employees Stock Option Plan 2021 and shall include any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.17 '**Equity Shares**' means the equity shares of the Company.
- 3.18 '**Exercise**' shall mean making of an application by the Grantee to the Company/ Committee for issue/ transfer of Shares against the Vested Options held by such Grantee in pursuance of this Plan and payment of the Exercise Price plus applicable taxes, if any, as per the terms of issue.
- 3.19 '**Exercise Period**' in relation to an Option shall mean the time period specified in the Grant Letter with respect to such Options, within which a Grantee is required to apply for Exercise of such Options after Vesting or as may be decided by the Committee from time to time.
- 3.20 '**Exercise Price**' means the price payable by the Grantee for exercising each Option granted to him in pursuance of the Plan, and which shall be communicated to the Grantee in the Grant Letter.
- 3.21 '**Fair Market Value**' shall mean: (i) for grants prior to the IPO, value as determined by an independent valuer, appointed by the Board / Committee; (ii) for grants post IPO, the latest available closing price, prior to the date of the Board meeting, in which Options are granted, on the stock exchange on which the Equity Shares of the Company are listed. The value which Board/ Committee accepts as the Fair Market Value in accordance with the foregoing norms shall be final and binding on all parties.
- 3.22 '**Founders**' means collectively, Mr. Alok Bansal and Mr. Yashish Dahiya.
- 3.23 '**Grant**' shall mean the process by which a Grantee is given an Option on fulfillment of the criteria decided by the Committee pursuant to this Plan. The terms 'Granted' and 'Granting' shall be construed accordingly.
- 3.24 '**Grantee**' shall mean an Eligible Employee selected by the Committee for the grant of Options under the Plan.
- 3.25 '**Grant Date**' shall mean the date on which the Committee approves the Grant of Options and the Options are granted to a Grantee by the Company under the Plan.
- 3.26 '**Grant Letter**' shall mean the letter by which Grant of an Option is communicated to the Grantee and setting out matters incidental and ancillary thereto.
- 3.27 '**Initial Public Offering**' or '**IPO**' means an initial public offering of the Equity Shares by the Company on any recognized stock exchange(s).

- 3.28 ‘**Option**’ shall mean a right, but not an obligation granted to the Grantee pursuant to this Plan to acquire and be allotted/ transferred Equity Shares of the Company at the Exercise Price determined in accordance with Clause 7 during the Exercise Period subject to terms and conditions of Vesting and upon such terms and conditions as may be specified in the Plan and as determined by the Committee.
- 3.29 ‘**Permanent Incapacity**’ shall mean any disability of whatsoever nature be it physical, mental or otherwise, which incapacitates or prevents or handicaps an Eligible Employee from performing any specific job, work or task which the said Eligible Employee was capable of performing immediately before such disablement, as determined by the Committee based on a certificate of a medical expert identified by the Committee.
- 3.30 “**Pre-IPO scheme**” means ESOP 2020 formulated prior to the initial public offer of the company and prior to the listing of its equity shares on a recognised stock exchange.
- 3.31 ‘**SEBI SBEB Regulations**’ shall mean the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time, issued by the Securities and Exchange Board of India under the Securities and Exchange Board of India Act, 1992 and includes any alterations, amendments, additions, deletions, modifications or variations thereof from time to time.
- 3.32 ‘**Secondary Acquisition**’ shall have the meaning ascribed to the term under the SEBI Regulations.
- 3.33 ‘**Shareholder**’ shall mean the registered holder of a Share in the share capital of the Company.
- 3.34 ‘**Subsidiary**’ shall have the same meaning as defined in the Companies Act, 2013.
- 3.35 “**Secretarial Auditor**” means a Company Secretary in practice appointed by a company under rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014 to conduct secretarial audit pursuant to regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be applicable, including any statutory modification(s) or re-enactments thereof.
- 3.36 “**Termination Date**” shall mean the date of termination (being the last working day) of employment of a Grantee with the Company.
- 3.37 “**Unvested Option**” means an Option in respect of which the relevant conditions relating to Vesting have not been satisfied and as such the Grantee, has not become eligible to Exercise the Option.
- 3.38 “**Vested Option**” means an Option in respect of which the relevant conditions relating to Vesting have been satisfied and the Eligible Employee has become eligible to Exercise the Option.
- 3.39 “**Vesting Period**” means the period during which the Stock Option Granted to the Grantee vests.
- 3.40 **Construction**
- a. The headings/ sub-headings/ titles/ sub-titles are only for the sake of convenience and shall not be interpreted to restrict or otherwise affect the meaning or import of the Articles, which shall be interpreted solely in light of the contents thereof.

- b. Where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- c. Any reference to 'writing' includes printing, typing, lithography and other means of reproducing words in visible form.
- d. Unless the context otherwise requires, words denoting the masculine gender shall include the feminine gender and words denoting the singular shall include the plural and vice versa.
- e. The term 'including' shall mean 'including without limitation', unless otherwise specified.

4. Eligibility

- 4.1 Only the Eligible Employee(s) as defined in this ESOP 2021 and the SEBI SBEB Regulations will be eligible for being Granted Employee Stock Options under ESOP 2021. The Eligible Employees to whom the options would be Granted would be determined by the Board /Committee, at its discretion.
- 4.2 The ESOP 2021 shall be applicable to the Company, its Subsidiaries and any successor company thereof and may be Granted to the Eligible Employees of the Company or its Subsidiaries, as determined by the Board /Committee in its discretion. The Committee will, based on parameters evolved/decided by it from time to time in its absolute discretion, decide the Eligibility Criteria basis which Eligible Employees should be granted Options under the Plan and accordingly, the Company would offer the Options to the identified Eligible Employees.
- 4.3 As provided under the SEBI SBEB Regulations, an Employee/ Director who is a promoter; or a person belonging to the promoter group or a director, who either by himself or through his relative or through any body corporate, directly or indirectly, holds more than 10% (ten percent) of the outstanding Equity Shares of the Company, shall not be eligible to participate in the Plan.

5. Administration of the Plan

- 5.1 Subject to Applicable Laws, the Plan shall be administered by the Nomination and Remuneration Committee (subject to compliance with Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time), which may delegate its duties and powers in whole or in part as it determines. The Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan in accordance with Applicable Laws and to make any other determinations that it deems necessary or desirable for the administration and implementation of the Plan. The Committee may correct any defect, omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Grantee and their Beneficiaries or successors). The Committee shall in accordance with this Plan and Applicable Laws (including the SEBI SBEB Regulations), determine the detailed terms and conditions of the Plan and shall *inter-alia*, in its absolute discretion, do the following:
 - a. Formulate detailed terms and conditions which shall include provisions specified by SEBI in this regard. Adopt rules, regulations and policies for implementing the Plan and amending, altering, modifying or rescinding the same from time to time. All Employees participating in

the Plan shall automatically be bound by such rules, regulations and policies adopted and/or amended by the Committee;

- b. Frame suitable policies, procedures and systems to comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities market) Regulations, 2003, as amended from time to time, to be followed by the Grantee;
 - c. Administer the Plan and resolve any issue that arises in the administration of the Plan, if any, and to issue directions as and when required for smooth and proper administration of the Plan, as per the Applicable Laws; and
 - d. Perform such other functions and duties as shall be required under the Applicable Laws.
- 5.2 All decisions made by the Committee in the matters referred to above shall be conclusive and binding on all parties concerned (including, but not limited to, Grantee and their Beneficiaries and/or successors). Neither the Company nor the Committee nor any official(s) of the Company shall be liable for any action or determination made in good faith with respect to the Plan or any Option granted thereunder.
- 5.3 The number of members of the Committee and their powers and functions can be specified, varied, altered or modified from time to time by the Board, subject to the provisions of Applicable Laws.

6. Shares Pool

- 6.1 The maximum number of Equity Shares that may be issued pursuant to exercise of all Options granted to the Eligible Employees under this Plan shall not exceed 5% of the total paid-up capital of the Company as on July 26, 2021
- 6.2 Of the 2,05,61,725 Options, a total of 1,02,80,863 Options shall be reserved and issued to the Founders and the remaining 1,02,80,862 Options may be reserved and issued to such other Eligible Employees as may be determined by the Board /Committee under the ESOP 2021.
- 6.3 The Options may be granted in one or more tranches as may be decided by the Committee.

Provided however that in case of any corporate action(s) such as right issues, bonus issues, change in capital structure, merger, split, consolidation of shares, sale of division/undertaking and others, the ceiling, as aforesaid in clause 6.1, shall be deemed to be increased/decreased, as may be determined by the Committee pursuant to Clause 15 of the Plan, to facilitate making a fair and reasonable adjustment to the entitlements of participants under ESOP 2021.

- 6.4 Notwithstanding the foregoing provisions of Clause 6.1 of the Plan, unless otherwise provided in the Plan, Options not Vested due to non-fulfillment of the stipulated conditions, Vested Options not exercised within the Exercise Period or the period specified in Clause 12 (as applicable) and any Options granted but not Vested or exercised within the stipulated time due to any reasons, shall, unless otherwise determined by the Committee, lapse and these Options will be available for Grant by the Committee to any other Eligible Employee(s) as it may deem fit in its absolute discretion.

7. Grant of Options

- 7.1 The Board / Committee shall have the discretion to Grant Options to an Eligible Employee as it may deem fit and shall, in its discretion, decide upon the number of Options that may be Granted to an Eligible Employee, the Exercise Price of such Options, the terms per which such Option will vest in the Eligible Employee and the Shares to be offered to such person in connection with such Options. The Board / Committee has the discretion, but no obligation, to Grant Options to an Eligible Employee.
- 7.2 In the event that the Company intends to make a fresh grant under ESOP 2021, post the IPO, in furtherance of Regulation 12 of the SEBI SBEB Regulations, the ESOP 2021 would need to be ratified by the Shareholders, subsequent to the IPO.
- 7.3 Each Option will entitle the Eligible Employee, upon its Exercise, to one Equity Share of the Company.
- 7.4 Subject to the limits specified in the SEBI SBEB Regulations, the maximum number of Options that may be granted to an Eligible Employee shall not exceed (i) one percent. of the issued capital of the Company at the time of grant of options during any one year ; and (ii) 2,05,61,725 in aggregate. The Nomination and Remuneration Committee may decide to grant such number of Options equal to or exceeding 1% of the issued share capital of the Company to any eligible Employee as the case may be, subject to the separate approval of the Shareholders in a general meeting. Further, the Company shall not issue sweat equity shares for more than fifteen percent of the existing paid up equity share capital in a year.
- 7.5 The Grant of the Options by the Committee to the Eligible Employee shall be made in writing and communicated by way of a Grant Letter. Such a Grant Letter shall state:
- a. the number of Options offered;
 - b. the Exercise Price and Exercise Period;
 - c. the Vesting Period & Vesting Schedule;
 - d. the date by which the offer can be accepted (**‘Closing Date’**);
 - e. the conditions subject to which Vesting would take place;
 - f. the terms and conditions of the Grant; and
 - g. the lock-in conditions, if any, on the Shares issued pursuant to an Exercise of the Options.

The Grantee, along with the Grant Letter, shall also be furnished with the disclosures prescribed by SEBI.

- 7.6 The Closing Date shall not be more than 30 days from the Grant Date.
- 7.7 An Unvested Option that does not, due to any reason, vest in an Eligible Employee, shall lapse irrevocably, without any further action by the Company, Board or the Committee or the Eligible Employee and without any liability to the Company, the Board and / or the Committee, and all rights of the Eligible Employee there under shall stand extinguished.
- 7.8 An offer made hereunder is personal to the Eligible Employee and cannot be transferred or assigned in any manner whatsoever. An Eligible Employee, shall not, directly or indirectly, pledge, hypothecate, gift, mortgage, charge, assign or in any other manner alienate, dispose off or create any encumbrance over any Options Granted to him / her.

8. Method of Acceptance

- 8.1 Any Eligible Employee who wishes to accept the Grant made pursuant to Clause 8 must deliver a duly signed acceptance of the Grant Letter , prescribed by the Committee, on or before the Closing Date stated in the Grant Letter.
- 8.2 Any Eligible Employee who fails to return the duly accepted Grant Letter on or before the Closing Date shall, unless the determines otherwise, be deemed to have rejected the offer. Options that are not accepted by the Grantee in accordance with this provision will be available for Grant by the Committee to any other Eligible Employee(s) as it may deem fit in its absolute discretion, in accordance with this Plan.
- 8.3 Upon receipt of a duly completed and accepted Grant Letter from the Eligible Employee in respect of the Grant, the Eligible Employee will become a Grantee.

9. Vesting of Options

- 9.1 Subject to the terms contained herein, the acceptance in accordance with Clause 8, of a Grant made to a Grantee, shall conclude a contract between the Grantee and the Company, pursuant to which each Option shall, on such acceptance, be an Unvested Option.
- 9.2 Vesting of Options would be subject to: (a) continued / uninterrupted employment with the Company and thus the Options would Vest on passage of time, and continued employment of the Eligible Employee with the Company, subject to completion of a minimum period of 1 (One) year from the date of the Grant of Option; and / or (b) the Company achieving such valuation, to the extent applicable and as may be set out in the Letter of Grant.
- 9.3 Options Granted under this Plan would Vest in the manner decided by the Committee and specified in the Grant Letter, and in any event not earlier than 1 (one) year from the date of Grant of such Options and no later than a period of 5 (five) years from the Grant Date. For the avoidance of doubt, it is clarified that Vesting of Options would be a function of achievement of performance criteria or any other criteria as may be specified by the Committee and communicated in the Grant Letter.
- 9.4 Class A Options shall vest in such Class A Employees in accordance with the vesting schedule as set forth in the Letter of Grant issued to such Class A Employee.
- 9.5 The Committee may at its discretion alter or change or vary the vesting schedule/vesting criteria and/or vesting conditions, subject to approval of the shareholders. The Committee may also provide for lock-in provisions.
- 9.6 Notwithstanding anything contained in this Plan, the Committee may not Vest any of the Options already Granted or Vest such lesser number of Options already Granted, in the event it is found that the Grantee has not met the performance criteria or if there is any Cause in relation to that Grantee.
- 9.7 In case the Grantee complies with all the pre-Vesting conditions, an authorized official of the Company would issue a letter to such Grantee intimating the number of Options Vested from time to time.
- 9.8 Acceleration of Vesting – Change in Control

- a. Upon occurrence of a Change in Control of the Company, the Board/ Committee shall have the power and discretion to: (i) waive any or all Vesting Conditions (save and except for any Vesting Conditions relating to compliance with Applicable Law, including without limitation expiry of a period of 1 (one) year from the Grant Date of the relevant Unvested Option) and accelerate Vesting of any or all Unvested Options.
- b. Where the Board/ Committee has approved acceleration of any or all Unvested Options in accordance with this Clause 9, all such Unvested Options shall, at the discretion of the Board/ Compensation Committee, be deemed to Vest with effect from the date of the Board meeting at which the proposal to accelerate Unvested Options is approved or from such other date as the Board/ Committee may determine.
- c. Notwithstanding anything to the contrary in this Clause 9, if the Change in Control does not occur after approval of acceleration of vesting of any or all Unvested Options by the Board/ Committee, such acceleration shall stand automatically cancelled and the waiver of any or all Vesting Conditions shall be null and void as if such proposal was never considered nor approved by the Board/ Compensation Committee, and the Unvested Options proposed to be accelerated shall be subject to their original Vesting schedule and Vesting Conditions.

10. Exercise Price

- 10.1 The Exercise Price per Option shall be such price as determined by the Board/ Committee subject to conforming to applicable accounting policies and intimated to an Eligible Employee in the Grant Letter. Provided, however, the Exercise Price shall in no event be less than the face value of the Equity Shares.
- 10.2 The Exercise Price shall be paid in full upon the exercise of the Vested Options. The payment of Exercise Price and applicable taxes, if any, in respect of exercise of the Options shall be made by the Grantee to the Company, as the Committee or the Company, may prescribe, at the time of Exercise.

11. Exercise of Options

- 11.1 The Vested Options shall be exercisable according to the terms and conditions as determined and set forth under the Plan and the Grant Letter.
- 11.2 Subject to Clause 12.1 and 12.2, the Grantee alone can exercise the Vested Options.
- 11.3 Subject to Clauses 9 and 12, the Grantee can exercise the Vested Options within the Exercise Period. Such exercise may be of all Vested Options or part of the Vested Options. However, no fraction of a Vested Option shall be exercisable.
- 11.4 Exercise of the Options shall take place at the time, and manner prescribed by the Committee and by executing such documents as may be required under the Applicable Laws to pass a valid title to the relevant Equity Shares to the Grantee, free and clear of any liens, encumbrances and transfer restrictions save for those set out therein.
- 11.5 An Option shall be deemed to be exercised only when the Committee receives written or electronic notice of Exercise along with requisite details and the Exercise Price along with applicable taxes, if any, from the Grantee/persons entitled to exercise the Option.

- 11.6 On Exercise, the Grantee can subscribe to/ acquire the Shares on full payment of the Exercise Price and applicable taxes, if any, required to be deducted/collected by the Company in respect of exercise of the Options, and the Company shall allot/ transfer the Shares to the Grantee. Subsequent to allotment/ transfer following the IPO, no Grantee should seek to sell or otherwise transfer the Shares until there is a confirmation from the Company that the listing procedures with respect to the allotted/ transferred Equity Shares have been completed.
- 11.7 Notwithstanding anything else contained in this Plan, if the Grantee does not Exercise his Vested Options within the time specified the Grant Letter and this Plan, the Options shall stand lapsed.

12. Termination of Employment

- 12.1 **On death of a Grantee:** In the event of death of a Grantee while in the employment of the Company, all the Options granted till such date and lying Unvested shall Vest in the Beneficiary of the deceased Grantee on that day in an accelerated manner. All the Vested Options shall be permitted to be exercised by the Beneficiary within 30 (thirty) days from the date of death or before expiry of the Exercise Period, whichever is earlier, in accordance with Applicable Laws. Subject to the provisions of this Clause, this Plan shall apply *mutatis mutandis* to Exercise of Options by the Beneficiary and allotment/ transfer of Shares to the Beneficiary. Any Vested Option not exercised within the aforesaid period shall lapse and stand forfeited at the end of the aforesaid period and without any liability to the Company and/or the Board or the Committee. All rights of the Grantee there under shall stand extinguished. It is clarified that in the event of death of an employee, the minimum vesting period of one year shall not be applicable and in such instances, the options shall vest in terms of SEBI SBEB Regulations on the date of the death.
- 12.2 **On disability of Grantee:** In the event of the termination of a Grantee's employment with the Company, as a result of Permanent Incapacity, all the Options granted to him till such date of Permanent Incapacity and lying unvested, shall Vest on that day in an accelerated manner, in accordance with Applicable Laws. All the Vested Options shall be permitted to be exercised by the Grantee or its Beneficiary(ies) within 30 (thirty) days from the Termination Date or before expiry of the Exercise Period, whichever is earlier. Any Vested Option not exercised within the aforesaid period shall lapse and stand forfeited at the end of the aforesaid period, without any further action by the Company, the Board or the Grantee, and without any liability to the Company and/or the Board or Committee. All rights of the Grantee there under shall stand extinguished.
- 12.3 **On Attainment of superannuation age:** All Vested Options may be Exercised by the Grantee within 30 (Thirty) days from the date of retirement or such extended time as decided by the Board /Committee in its absolute discretion. All Unvested Options will automatically vest as on the date of such retirement, in accordance with Applicable Laws, unless otherwise determined by the Board / Committee whose determination will be final and binding and without any liability to the Company and / or the Board and / or the Committee.
- 12.4 **Termination with Cause:** Subject to the terms of the grant letter, if the termination is for Cause, the Grantee's Vested Options, to the extent unexercised shall be exercised by the Grantee within 90 days of Termination Date or before expiry of the Exercise Period; all Unvested Options as on the effective date of such termination shall lapse and stand terminated, without any liability to the Company and / or the Board and / or the Committee, and all rights of the Grantee there under shall stand extinguished. The Board / Committee may require the Grantee terminated for Cause to transfer all the Shares held by him/her to such persons and on such terms as may be determined by the Board / Committee in its discretion. Any decision of the Board / Committee in this behalf shall be final and binding on the

Grantee, and the Grantee shall be bound to provide any assistance as may be required by the Board / Committee in this behalf.

- 12.5 **Termination without cause/ resignation:** Subject to the terms of the grant letter, in case of termination of service due to resignation by the Grantee, notice of exercise of all Vested Options by the Eligible Employee shall be given to the Company within five (5) calendar days from his last working day. The Company may provide to such Eligible Employee(s) 180 (One Hundred and Eighty) days time from last working day for complying with income tax provisions and completing necessary paper work. All Vested Options shall be Exercised within a period of 180 (One Hundred and Eighty) calendar days. All the Unvested Options on the Termination Date shall automatically vest. Any Vested Option not exercised within the aforesaid period shall lapse and stand forfeited at the end of the aforesaid period. Provided that nothing in this Clause 12.5 shall apply in case of termination or cessation of employment due to retirement or superannuation, and any Unvested Options would continue to vest and Vested Options may be exercised in accordance with the respective vesting schedules under this scheme even after retirement or superannuation in accordance with the Company's policies and Applicable Law.
- 12.6 In case of termination of service due to resignation by the Grantee and such Grantee joins a competitor of the Company, all the Vested Options as on the Termination Date shall be exercised by the Grantee within 30 (thirty) days of the Termination Date or before expiry of the Exercise Period, whichever is earlier. Any Vested Option not exercised within the aforesaid period shall lapse and stand forfeited at the end of the aforesaid period.
- For the purposes of this clause, a 'Competitor' shall mean a person or entity which is determined by the Board or the Committee as offering products and services similar to, or competing with, the products and services offered by the Company and/or a Subsidiary.
- 12.7 **Long Leave:** Duly approved long leave of the Grantee shall not have any effect on the Plan as applicable to the Grantee.
- 12.8 **Deputation/Transfer to the Company or a Subsidiary:** Where a Grantee is deputed or transferred to the Company or to a Subsidiary following the Grant of Options but prior to Vesting or Exercise, the Vesting or Exercise shall continue even after such deputation or transfer in accordance with this Plan.
- 12.9 In the event that an Eligible Employee who has been granted benefits under this scheme, is transferred pursuant to scheme of arrangement, amalgamation, merger or demerger or continued in the existing company, prior to the vesting or exercise, the treatment of options in such case shall be specified in such scheme of arrangement, amalgamation, merger or demerger provided that such treatment will not be prejudicial to the interest of such Eligible Employee.

13. Beneficiary nomination

Each Grantee under the Plan may nominate, from time to time, any Beneficiary(ies) to whom any benefit under the Plan is to be delivered in case of death of the Grantee, before the exercise of Granted Options. Each such nomination shall revoke all prior nominations by the same Grantee, shall be in a form prescribed by the Company and will be effective only when filed by the Grantee in writing with the Company during the Grantee's lifetime.

14. Non-transferability of Options

Save as provided in this Plan, the Options granted herein, are personal to the Grantee. The Options cannot be assigned, alienated, pledged, attached, hypothecated, sold or otherwise transferred or encumbered by the Grantee otherwise than by will or by the laws of inheritance, to the extent permitted under the Applicable Laws and any purported assignment, alienation, pledge, attachment, hypothecation, sale, transfer or encumbrance not permitted herein shall be void and unenforceable against the Company.

15. Corporate Action

In the event of corporate action such as rights issue, bonus issue, merger, sale of division and others (including buy back of shares, split, consolidation of Shares, etc.), the Committee, in consultation with the Board, may determine a fair and reasonable adjustment to the entitlement of Eligible Employees under the Plan, including by way of adjustment to the number of Options (Vested as well as Unvested) and/ or the Exercise Price in respect of the Options to be such number and/ or Exercise Price as is appropriate in accordance with the SEBI Regulations and other Applicable Laws. Any such determination shall not be detrimental to the interest of the Grantees. In this regard, the following shall, *inter alia*, be taken into account by the Committee and the Board:

- a. The number and price of Options shall be adjusted in a manner such that the total value of the Options to a Grantee remains the same after the corporate action; and
- b. The Vesting Period and the life of the Options shall be left unaltered as far as possible to protect the rights of the Grantees who have been granted such Options.

16. Taxes and Levies

16.1 All the Options granted under the Plan shall be subject to applicable taxes and levies. The Company or Committee shall withhold/ recover from the concerned Grantee such taxes and levies as may be imposed by the Government, on Grant/ Exercise of Options or allotment/ transfer of Shares under the Plan.

16.2 Notwithstanding anything else contained in the Plan, no Shares shall be allotted to the Grantee or his Beneficiary, on exercise of the Options under the Plan unless taxes and levies as mentioned above are recovered.

17. Listing of the Shares

Subject to the SEBI Regulations and approval of the stock exchanges, the new Equity Shares issued and allotted on Exercise of the Options shall be listed on the recognized stock exchanges on which the Equity Shares of the Company are listed from time to time.

18. Disclosure and accounting policies

The Company shall comply with the accounting policies and disclosure policies prescribed under the SEBI Regulations in connection with Grant and Exercise of Options.

19. Plan severable

The Options are subject to the Plan. Any term of the Plan that is contrary to the requirement of the SEBI Regulations or any other Applicable Laws shall not apply to the extent it is contrary.

20. Regulatory approvals

The implementation of the Plan, the granting of any Option under the Plan and the issuance/ transfer of any Shares under this Plan shall be subject to the procurement by the Company and the Grantees of all approvals and permits required by any regulatory authorities having jurisdiction over the Plan, the Options and the Shares issued/ transferred pursuant thereto. The Grantees under this Plan will, if requested by the Committee, provide such assurances and representations to the Company or the Committee, as the Committee may deem necessary or desirable to ensure compliance with all applicable legal and accounting requirements.

21. Modification of Plan

The Committee may pursuant to a special resolution passed at a general meeting/ through postal ballot at any time and from time to time:

- a. Revoke, add to, alter, amend or vary all or any of the terms and conditions of the Plan; and
- b. Alter the Exercise Price of Options which have not been Exercised if such Options have been rendered unattractive due to a fall in the price of the shares in the stock market.

Provided that no variation, alteration, addition or amendment to the Plan or the Exercise Price can be made if it is detrimental to the interest of the Grantee.

22. Miscellaneous Provisions

- 22.1 The inability of the Company to obtain authority from any regulatory body having jurisdiction, or under any Applicable Laws for the lawful issuance and sale of any Shares hereunder shall relieve and wholly discharge the Company of any and all liability in respect of the failure to issue or sell such Shares.
- 22.2 If any Options are granted to any Employee being resident outside India, belonging to the Company, working outside India, the provisions of the Foreign Exchange Management Act, 1999 or any other applicable foreign exchange laws and rules or regulations made thereunder as amended and enacted from time to time shall be applicable, and the Company has to comply with such requirements as prescribed from time to time in connection with Grant, Vest and Exercise of Options thereof.
- 22.3 The Eligible Employee shall not have any rights as a shareholder of the Company with respect to the Options/ Shares under this Plan (including any right to receive dividend or voting rights) until the Equity Shares have been issued/ transferred to such Eligible Employee in accordance with this Plan and name of the Eligible Employee has been entered in the register of members of the Company as the holder of the Shares.
- 22.4 Unless the Options are Granted to the Eligible Employee, neither the adoption of the Plan nor any action of the Board or the Committee or the shareholders of the Company shall be deemed to give an Employee, any right to claim or be Granted any Option or a right to acquire Shares under the Plan.

- 22.5 The rights and obligations of any Eligible Employee under the terms of his office or employment shall not be affected by his participation in this Plan or any right which he may have to participate in it and this Plan shall afford such an Eligible Employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason. It is clarified that nothing contained herein or in the Grant Letter shall give or confer upon the Grantee or the Eligible Employee, any right for continuation of any employment with the Company or interfere in any way with the right of the Company to terminate the employment of such Employee.
- 22.6 The rights granted to an Eligible Employee, upon the Grant of an Option shall not afford the Eligible Employee, any rights or additional rights to compensation or damages in consequence of any possible loss based on the determination of the Board / Committee.
- 22.7 The acceptance of the Grant is entirely voluntary and the Company or the Board/Committee does not guarantee any return on Equity Shares. The Grantee shall not be entitled to any legal or equitable rights against the Company with respect to any compensation or damages for any loss or potential loss (whether directly or indirectly) which he may suffer by reason of being unable to Exercise an Option in whole or in part or on account of the lapsing or cancellation of such Options in accordance with this Plan.
- 22.8 The Eligible Employee shall comply with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 as well as any Code of Conduct or such similar policies, procedures or systems formulated or adopted by the Company or the Committee and communicated to the Grantee from time to time. Any violation of the Applicable Laws or Code of Conduct may result in cancellation of all Vested and Unvested Options as well as subject the Grantee to disciplinary action at the discretion of the Company.
- 22.9 The Company shall bear the costs of establishing and administering this Plan, including any costs of the Company's auditors or any independent financial advisor in relation to the preparation of any confirmation by them or provision of any other service in relation to this Plan.
- 22.10 A Grantee shall, before accepting a Grant, obtain all necessary consents that may be required to enable him to accept the Grant and the Company to allot or transfer to him in accordance with the provisions of this Plan, the Shares due to be allotted/ transferred upon the exercise of his Vested Options. By accepting a Grant, the Grantee thereof is deemed to have represented to the Company or the Committee that he has obtained all such consents. Compliance with this paragraph shall be a condition precedent to an acceptance of a Grant by a Grantee.
- 22.11 The rights of the Eligible Employee, shall always be subject to the articles of association of the Company and all and any restrictions, including but not limited to those relating to transfer of Equity Shares, right of first refusal, drag along rights, of a shareholder under the articles of association shall also be applicable to the Eligible Employee.
- 22.12 The Eligible Employee, to whom such Equity Shares have been allotted, shall execute and provide such documents, and render such assistance as may be necessary to enable compliance with the provisions of this ESOP, as determined by the Board / Committee. The existence of this Plan and the Grants made hereunder shall not in any way affect the right or the power of the Company to make or authorize any change in capital structure (including any issue of shares, debt or other securities having any priority or preference with respect to the then existing Equity Shares (including Equity Shares underlying the Options) or the rights thereof) or to prevent the Company from taking any corporate

action or change its capital structure which is deemed by the Company to be appropriate or in its best interest.

22.13 The acceptance of the Grant is entirely voluntary and the Company or the Committee does not guarantee any return on Shares.

23. Set-off

It shall be the Company's or the Committee's obligation to convey to the Grantee that the Equity Shares shall be subject to set-off or counter claim of amounts owed by the Grantee to the Company, to the extent permissible under the Applicable Laws.

24. Notices

All notices of communication required to be given by the Company to an Eligible Employee, by virtue of this ESOP 2021 shall be in writing and shall be sent to the address of the Eligible Employee available in the records of the Company and any communication to be given by an Eligible Employee to the Company in respect of ESOP 2021 shall be sent to the corporate office of the Company. The present corporate office of the Company is mentioned below:

PB Fintech Limited (formerly known as PB Fintech Private Limited / Etechaces Marketing and Consulting Private Limited) Registered Office: Plot No. 119, Sector 44, Gurgaon- 122001, Haryana

OR

such office address as may be specified from time to time.

Envelope containing the notice/ correspondence should be super-scripted with a notation '**Notice/ Correspondence under ESOP 2021**'.

25. Governing Law

The terms and conditions of the ESOP 2021 shall be governed by and construed in accordance with the Applicable Laws of India and its rules thereof.

26. Dispute Resolution

In the event of a dispute arising out of or in relation to the provisions of this Plan (including a dispute relating to the construction or performance thereof), either party may refer the dispute to a sole arbitrator mutually appointed by both the parties. The arbitration proceeding shall be held in English language under and in accordance with the Arbitration and Conciliation Act, 1996 and any statutory modification or reenactment thereof. The venue of arbitration shall be in New Delhi. The decision of the arbitrator shall be final and binding on the Parties

27. Confidentiality

The Eligible Employee shall not divulge the details of the Plan and/or his holdings to any person except with the prior written permission of the Committee unless so required to do under any statutes or regulations applicable to such Grantee.